Forty-Third Annual Survey of well-known business and industrial firms

Employment Trends for college graduates in business

The Northwestern Lindquist-Endicott Report 1989

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Northwestern University

TRENDS IN THE EMPLOYMENT
OF
COLLEGE AND UNIVERSITY GRADUATES
IN
BUSINESS AND INDUSTRY

THE NORTHWESTERN LINDQUIST-ENDICOTT REPORT – 1989

FORTY-THIRD ANNUAL REPORT
A NATIONAL SURVEY OF 242 WELL-KNOWN BUSINESS AND INDUSTRIAL ORGANIZATIONS

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INTRODUCTORY STATEMENT

This is the 43rd annual survey of policy and personnel practices related to the employment of college and university graduates across the spectrum of business and industry. A total of 242 well-known companies responded with usable surveys. A large percentage are large or medium-sized national corporations, with a smaller group representing regional areas or specialized industry groups. Almost all of these companies have recruited graduates for many years through campus interviewing or co-op programs, although some will not be recruiting during the current academic year. Reports came from 26 states representing all regions of the nation. Surveys were returned from November 16 to December 6, 1988.

The major purpose of this report is to provide information that will be of value and interest to college students and administrators as well as to employers. An important continuing feature of the survey is an estimate by the responding companies of the number of graduates to be employed during the coming year and the starting salaries to be offered. Topical issues of general interest are also surveyed to apprise the human resource professional and the placement counselor of current trends.

The business outlook for the corporations participating in this year's survey is decidedly upbeat. Sixty-one percent of the organizations expect their balance sheets to improve with 75 percent expressing some confidence in their forecasts. Only 3 percent felt business would decline in the coming year.

There is the general feeling of optimism about the coming year and the new administration. The economy continues to grow within guidelines acceptable to the Federal Reserve. Yet, with a new president the environment for business will reflect another philosophy. The number of mergers, buyouts and acquisitions are fewer today but of even greater size. There is some tragedy in the free-wheeling spirit of the financial markets of the last eight years. Tens of thousands of jobs have disappeared. The classic argument that money will be drawn to its optimum use has not yet seen the funds invested in new plant and equipment. Jobs are primarily being created in the service sector. One can only hope that investment in research and manufacturing will follow as this sector becomes more attractive. How much money is now tied up in financial instruments – futures and options – that might otherwise be directed to enlarging an efficient production base?

The need for college trained talent continues to grow. The jobs of the future will demand skills found only in post high school education, and this must become a national priority. A willingness to work, but without work skills, will not be enough for personal economic advancement.

The generous contribution of hundreds of corporate personnel executives who supply us their data and comments, often at considerable expense, is greatly appreciated, and care has been taken to assure confidentiality and anonymity.

SOURCES OF DATA

The responding companies represent a cross section of American business, with many of the firms diversified and in many traditionally unrelated industries. They are classified into the following groups:

Aerospace	6	Merchandising & Services	8
Automotive & Mechanical	4	Metals & Metal Products	11
Banking, Finance & Insurance	44	Petroleum & Natural Gas	10
Building Materials & Construction	4	Public Accounting	8
Chemical, Drugs & Rubber	16	Public Utilities	15
Computers & Business Equipment	10	Research and Consulting	12
Electrical & Electronics	15	Transportation	9
Food & Beverage Processing	13	Diversified Conglomerate	5
Glass, Paper & Packaging	7	Miscellaneous	33

CORPORATE ECONOMIC AND RECRUITING OUTLOOK

A general assessment of the current year's business and recruiting activity and the economic outlook for the next year, 1989.

CORPORATE PERFORMANCE IN 1988

Better than 1987.....67%

About the same as 1987.....26%

Worse than 1987.....7%

CORPORATE OUTLOOK FOR 1989

Better than 1988.....61%

About the same as 1988.....36%

Worse than 1988.....3%

CONFIDENCE IN YOUR PROJECTION FOR 1989

Very Confident			Neutral			Not Confident
1	2	3	4	5	6	7
11%	31%	33%	17%	5%	2%	1%

CORPORATE RECRUITING IN 1988

Did you adjust your hiring goals during the year?

Yes.....42% No.....58%

If yes, how were these goals adjusted?

Increased.....59% Decreased.....41%

CORPORATE RECRUITING PLANS FOR 1989 AS COMPARED TO 1988

INTERVIEW SCHEDULES

CAMPUSES SCHEDULED

Total	Decrease 31.6%	Same 25.0%	Increase 43.4%
Decrease 32.1%	26.4%	1.9%	3.8%
Same 27.4%	3.3%	20.3%	3.8%
Increase 40.6%	1.9%	2.8%	35.8%

CORPORATE RECRUITING FOR COLLEGE GRADUATES - CLASS OF 1989

	Bachelor's Degree	Master's Degree
Corporations with needs UP	52%	38%
Corporations with needs SAME as 1988	14%	25%
Corporations with needs DOWN	34%	37%

THE EMPLOYMENT OF INEXPERIENCED COLLEGE GRADUATES DURING THE PAST YEAR AND FOR NEXT AS REPORTED BY 242 COMPANIES

	Past Year–1988		Next Year–1989	
BACHELOR'S LEVEL	No. Companies	No. Grads	No. Companies	No. Grads
Engineering	120	9,952	125	11,134
Accounting	121	8,373	121	8,715
Sales-Marketing	82	1,815	82	1,897
Business Administration	82	2,567	82	3,095
Liberal Arts*	68	1,429	68	1,458
Computer*	105	4,227	105	4,811
Chemistry*	31	235	31	323
Mathematics or Statistics*	32	344	32	420
Economics* or Finance	74	1,055	74	1,123
Other Fields/Undesignated*	50	1,925	50	1,609
TOTALS – Bachelor's Level		31,922		34,585
MASTER'S LEVEL				
Engineering	58	1,429	51	1,644
Other Technical Fields	38	576	30	679
MBA with Technical BS	53	732	45	755
MBA with Nontechnical BA	82	1,214	80	1,240
Accounting	21	738	20	904
Other Fields/Undesignated	24	183	24	311
TOTALS – Master's Level		4,872		5,533

SUMMARY

Engineering:	Bachelor's - Up for 1989.....12%	Master's - Up for 1989.....15%
Nonengineering:	Bachelor's - Up for 1989.....7%	Master's - Up for 1989.....13%
Totals:	Bachelor's - Up for 1989.....8%	Master's - Up for 1989.....14%

* In considering the overall demand for graduates in the liberal arts, the asterisked (*) disciplines must also be recognized since these courses are usually offered in colleges of arts and sciences.

College Graduates to Be Hired at Various Salary Levels

Bachelor's Degree Class-1989

Field	<1399	1400-1499	1500-1599	1600-1699	1700-1799	1800-1899	1900-1999	2000-2099	2100-2199	2200-2299	2300-2399	2400-2499	2500-2599
Engineering				2 (1)	1 (1)		4 (2)	23 (2)	12 (4)	991 (8)	275 (13)	3557 (31)	2859 (26)
Accounting			16 (3)	24 (8)	33 (9)	97 (15)	290 (21)	4729 (26)	2050 (19)	1042 (5)		14 (4)	15 (2)
Sales Marketing		42 (1)	43 (4)	98 (8)	189 (6)	553 (15)	127 (10)	311 (20)	176 (9)	26 (2)	31 (2)		199 (3)
Business Administration		30 (1)	124 (5)	137 (7)	147 (8)	224 (12)	272 (14)	721 (11)	516 (7)	171 (5)	23 (3)	80 (3)	36 (2)
Liberal Arts	36 (1)	36 (1)	98 (5)	145 (8)	58 (6)	49 (5)	103 (8)	294 (18)	323 (4)	105 (2)	2 (1)	63 (4)	14 (2)
Computer	4 (2)		2 (1)	137 (2)	32 (4)		45 (6)	934 (12)	318 (14)	615 (21)	783 (28)	527 (10)	823 (3)
Chemistry				2 (1)	3 (1)			68 (6)	4 (2)	63 (10)	22 (4)	4 (3)	66 (3)
Mathematics or Statistics			1 (1)	3 (1)	4 (1)	17 (2)	2 (1)	124 (5)	27 (4)	96 (4)	46 (8)	17 (3)	
Economics or Finance		12 (1)	20 (2)	55 (4)	84 (8)	62 (7)	144 (14)	362 (16)	206 (9)	6 (3)	6 (2)	41 (4)	22 (2)
Other Fields	11 (2)	60 (1)	39 (2)	376 (3)	59 (7)	59 (3)	6 (4)	462 (5)	4 (3)	39 (5)	516 (5)	5 2)	

Master's Degree Class-1989

Field	<2199	2200-2299	2300-2399	2400-2499	2500-2599	2600-2699	2700-2799	2800-2899	2900-2999	3000-3099	3100-3199	3200-3299	3300-3399
Engineering	2 (1)			14 (2)	55 (1)	85 (4)	60 (6)	612 (15)	265 (16)	182 (6)	36 (3)	113 (3)	
Other Technical Fields	2 (2)		1 (1)	176 (4)	1 (1)	24 (3)	51 (5)	217 (7)	40 (3)	22 (4)	9 (3)	20 (1)	
MBA With Technical BS	4 (2)	3 (1)	12 (2)	1 (1)	285 (3)	80 (1)	18 (4)	88 (5)	11 (2)	1 (1)	30 (1)	4 (1)	33 (2)
MBA With Nontechnical BA	9 (1)	3 (2)	2 (1)	296 (4)	21 (8)	8 (3)	19 (2)	151 (6)	89 (3)	14 (4)	98 (3)	3 (2)	24 (4)
Accounting	6 (2)	1 (1)	229 (3)	264 (4)	5 (1)	182 (3)		11 (1)	2 (1)			5 (2)	
Other Nontechnical Fields	17 (5)		24 (1)	27 (4)	7 (3)	90 (6)	7 (2)	3 (1)			8 (2)		

Average Increase For:

Bachelor's Engineering..... 2.5%
Bachelor's Nonengineering..... 4.8%
Master's Engineering..... 2.9%
Master's Business..... 3.2%
Other Master's..... 4.0%
Overall: Bachelor's and Master's..... 4.4%

Salary Increase %	Negative	0
Firm Frequency	30	15
% in Classification	14.1%	7.0%

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2600-2699	2700-2799	2800-2899	2900-2999	3000-3099	3100-3199	3200-3299	3300-3399	3400-3499	3500-3599	3600-3699	3700 +	Average 1988*	Average 1989*	% Change
2189 (28)	12 (3)											2488	2550	2.5
	3 (1)											2095	2214	5.7
												1957	2131	8.9
	4 (1)											1990	2031	2.1
												1959	2029	3.7
												2242	2313	3.2
												2259	2374	5.1
												2129	2195	3.1
	8 (1)											1994	2111	5.8
	4 (2)											1976	2106	6.6

3400-3499	3500-3599	3600-3699	3700-3799	3800-3899	3900-3999	4000-4099	4100-4199	4200-4299	4300-4399	4400-4499	4500 +	Average 1988*	Average 1989*	% Change
												2878	2961	2.9
	1 (1)				1 (1)							2714	2777	2.3
20 (1)	45 (6)	6 (1)	9 (5)		20 (1)	2 (1)	6 (1)	7 (1)	7 (2)		29 (4)	2942	3024	2.8
38 (3)	142 (8)	56 (3)	49 (8)	2 (1)	46 (1)	49 (4)	16 (2)	15 (2)	11 (1)	15 (2)	38 (3)	3161	3272	3.5
	32 (1)											2507	2608	4.0
												2549	2698	5.8

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*Salary per month. Averages take in to account the number of graduates to be hired at each level
( ) Number of hiring companies in parentheses

Distribution of Percentage Salary Increases

01-.99	1.0-1.9	2.0-2.9	3.0-3.9	4.0-4.9	5.0-5.9	6.0-6.9	7.0-7.9	8.0-8.9	9.0-9.9	10.0-10.9	Above 11.0
9	10	15	21	26	18	14	14	7	6	4	24
4.2%	4.7%	7.0%	9.9%	12.2%	8.5%	6.6%	6.6%	3.3%	2.8%	1.9%	11.3%

THE EMPLOYMENT AND SALARIES OF ENGINEERING GRADUATES DURING THE PAST YEAR AND AS PROJECTED FOR 1989

Field	Number of Companies Reporting	Employment Actual 1988	Employment Projected 1989	Salaries Actual 1988	Salaries Range '89 Low-High	Salaries 1989 Average	Salaries % Change
BACHELOR'S LEVEL							
Aerospace	9	247	174	$2,480	$2447-2661	$2,488	0
Chemical	47	971	1,279	$2,625	$2250-2975	$2,717	3.5
Civil	21	100	150	2,345	$1880-2756	$2,503	6.7
Electrical/C.S.	77	3,490	3,834	$2,505	$1923-2860	$2,567	2.4
Industrial	45	491	613	$2,420	$1850-2756	$2,486	2.7
Mechanical	81	2,378	2,644	$2,511	$2083-3500	$2,593	3.2
Metals/Materials	18	72	78	$2,431	$2230-2730	$2,485	2.2
Nuclear	6	33	38	$2,529	$2285-2750	$2,509	0
Petroleum	7	51	79	$2,809	$2565-2980	$2,929	4.3
Engineering Tech	24	153	167	$2,347	$2040-2750	$2,418	3.0
MASTER'S LEVEL							
Chemical	30	156	203	$2,878	$2605-3750	$29617	2.9
Civil	8	38	44	$2,793	$2365-2936	$2,897	3.7
Electrical/C.S.	36	557	627	$2,960	$2570-3551	$3,033	2.5
Industrial	14	36	34	$2,894	$2645-3382	$2,944	1.7
Mechanical	36	277	434	$2,904	$2520-3604	$2,961	2.0
Metals/Materials	13	49	37	$2,827	$2800-3250	$2,954	4.5
Nuclear	9	43	49	$2,943	$2817-3074	$2,931	0
DOCTORATE LEVEL							
Chemical	17	129	157	$3,865	$3575-4200	$3,988	3.2
Electrical/C.S.	10	74	90	$4,204	$3750-4593	$4,329	3.0
Mechanical	17	30	30	$3,794	$3700-4200	$3,936	3.7
Metals/Materials	4	11	14	$3,914	$3700-4200	$4,040	3.2

RECRUITING RATIOS

...To meet your hiring goals a certain number of campus interviews, second interviews at the plant or office, and job offers are required. This past year's activity is presented along with data from the previous survey.

NATIONAL AVERAGES 1985-1988

Campus Interviews	Second Interviews	Job Offers	Acceptances
Averages-1985 100	29%	16%	8%
Averages-1986 100	29%	14%	10%
Averages-1987 100	23%	10%	7%
Averages-1988 100	27%	16%	9%

INDUSTRY AVERAGE

Industry	Second Interviews	Job Offers	Acceptances
Aerospace	31%	25%	13%
Automotive & Mechanical	21%	10%	5%
Banking, Financial, & Insurance	21%	10%	6%
Building Materials and Construction	30%	17%	11%
Chemical, Drugs & Rubber	21%	14%	7%
Computers & Business Equipment	49%	21%	12%
Electrical & Electronics	18%	12%	8%
Food & Beverage Processing	22%	10%	5%
Glass, Paper & Packaging	11%	6%	3%
Merchandising & Services	20%	14%	7%
Metals & Metal Products	26%	13%	7%
Petroleum & Natural Gas	18%	9%	4%
Public Accounting	31%	22%	11%
Public Utilities	28%	12%	8%
Research & Consulting	25%	14%	8%
Transportation	15%	8%	5%
Diversified Conglomerate	40%	15%	10%
Miscellaneous	20%	9%	5%

CONTEMPORARY PRACTICES

Bonuses

...Have you or are you planning on using financial incentives or what are commonly referred to as "signing bonuses" in your campus recruiting program?

Yes.....24% No.....76%

If yes, are they paid to all of your college recruits?

Yes.....21% No.....79%

If no, to what groups or categories of employees are the incentives paid?

The trend in paying bonuses is on the increase. A few years ago, at least in college recruiting, it was found most often in minority recruitment and as a part of offers extended to MBAs at certain schools. This is still true, but the base has broadened to include more of the MBA group because recruiting organizations needed to stay competitive for the "top grad." The responses also indicated that other disciplines were included in bonus payment programs – computer science graduates, some engineers and some marketing specialists. One organization offered a "signing bonus," which declined by $100.00 for every week the candidate delayed making a decision:
A new method to substitute for the "hot box" early close and a clear violation of ethical practices.

Ethics

...In the process of the recruitment interview, do you routinely attempt to make any determination of the "ethical values" of the candidate?

Yes.....60% No.....40%

Do you think a person's ethical standards can be determined through interviewing?

Yes.....56% No.....44%

Professional Salary Increases 1988 and 1989

...What was the average salary increase for your professional (exempt) payroll in 1988 and what do you estimate the increase will be in 1989?

SALARY INCREASE %	1%	2%	3%	4%	5%	6%	7%	8%	9%	10%+
% Of Firms 1988	.5	1.4	8.1	17.1	34.3	18.6	7.6	3.8	1.4	7.1
% Of Firms 1989	.5	3.1	3.6	19.1	32.5	21.6	8.8	3.6	1.5	5.7

Mean Increase: 1988.....5.47% 1989.....5.46%

Professional Personnel Reduction

...Did your company reduce its professional- exempt- payroll during the current year, 1988?

Yes.....32% No.....68%

Does your organization plan professional staff reduction in1989?

Yes.....21% No.....79%

EMPLOYMENT QUALIFIERS

...Are you using, in your interviewing, pre/postemployment process or as a qualifier for permanent employment any of the listed procedures? We would like to know what is being used today, and do you expect to implement any of the listed procedures within the next twelve months?

QUALIFIER	Percent in Use Today	% Expect to Add within 12 Months
Personality and/or Psychological Test	15.0	3.0
Skills, Competency, Achievement Testing	26.0	2.0
Polygraph (Lie Detector) Testing	1.0	1.0
Paper & Pencil Honesty Test	4.0	2.0
Preemployment Physicals	54.0	2.0
Medical History without Exam	21.0	1.0
Postemployment Physical	14.0	1.0
Interviewing by Psychologist	7.0	1.0
Verification of Education	81.0	1.0
Handwriting Analysis	2.0	0
Drug Testing	47.0	7.0
AIDS Testing	2.0	1.0
Genetic Testing	1.0	0
Past Employment Verification	79.0	0
Credit Bureau Check	20.0	1.0
Voice Print Analysis for Stress, Veracity of Analysis for Drugs/Alcohol (Hayre Test)	1.0	0
Conviction/Court or Police Record Checks	32.0	1.0
Personal References	55.0	0
Faculty References	45.0	0
Placement Office Reference	30.0	0
Security Clearance	18.0	1.0
Social Security Verification	30.0	0
Citizenship/Visa Status I.R.C.A.	80.0	0

Others Qualifiers Listed: Submission of Writing Sample, Motor Vehicle Record Check, I-9, Transcript Review, Verification of Military Record (DD214), Processing through Assessment Center.

* * *

The cost of a hiring mistake continues to escalate, and it would appear that companies are investing more time and money to minimize the possibility of placing a problem on the payroll. Some "qualifiers" are pure economic protection, and some are mandated by law. The courts have also been rather liberal in holding an employer liable for the actions or injury inflicted on an employee by another—a trend that is not likely to diminish. Contract services to perform all employment qualification can now be retained.

DRUG AND AIDS POLICIES AND PRACTICES

Drug Testing	Yes
Is there in your company a written policy on drug and alcohol abuse?	76%
If you plan on having a drug testing program, will you be testing:	
All employees	14%
Only new hires	46%
Only exempt employees	6%
Only nonexempt employees	3%
Only special groups	20%
Are you testing employees who appear to be under reasonable suspicion?	39%
Will you retest if a drug is positive?	44%
Do you include drug testing in the physical exam and not inform applicants?	6%
What percentage refuse to take the drug test?	1%
The responses ranged from 0.0% to 20%.	
What percentage fail to pass your administered drug test?	4%
The responses ranged from 0.0% to 10%.	

AIDS or Catastrophic Illness	Yes
Does your company have a "specific" written policy covering AIDS?	23%
Or is it included within a policy on catastrophic illness?	43%
Do you think homophobia:	
Is a factor in hiring a person?	15%
Is present in the work force?	35%
Is it increasing?	24%
Have you or will you be offering an AIDS education program?	40%
Are you testing for AIDS as part of a routine company physical exam or other medical procedures, i.e., testing for cholesterol?	5%
If yes, are your employees aware of this procedure?	22%

If a person contracts AIDS, who is involved with determining whether or not that person is "fit" to perform his or her job?

Medical Department	80%	Personnel	26%
Department Manager	17%	Top Management	22%

BENEFITS AND NONTRADITIONAL OPTIONS

...Is your company now providing any of the listed benefits or options to its employees?

BENEFITS	Percent in Use Today	Expect to Add
On-site Day Care — Fully Paid	0	1.0
On-site Day Care — Partially Subsidized	2.0	3.0
Subsidized/Voucher Off-site Day Care	5.0	6.0
Child Care Resource Referral	29.0	11.0
Paternal Leave	27.0	5.0
Elder Care	10.0	2.0
Flex Time	44.0	2.0
Nontraditional Work Week	19.0	3.0
Job Sharing	17.0	5.0
On-site Fitness Center	28.0	1.0
Health Fitness Counseling	44.0	3.0
Subsidized Off-site Fitness Program	19.0	2.0
Spousal Assistance on Transfer/Relocation	45.0	3.0
Employee Assistance Program	75.0	5.0
Personal Counseling On-Site/Assistant Program, i.e., Short Term Counseling, Community Referral Help, etc.	56.0	1.0
Flexible Benefit Planning	40.0	15.0
Legal Counsel	15.0	0
Tuition Reimbursment	89.0	2.0

Others: Leave of Absence for "Personal Reasons": Spiritual or Recreational, Car Pool Vans, Part-time Work for Professionals, Work at Home for Handicapped, Flexible Healthcare Purchasing, E.S.O.P., Sponsored Leaves for Graduate Study.

* * *

Comments

"Many will be requested – Few, if any, will be granted."

The benefits of interest to the new college hire are very different from the more senior employee. Tuition reimbursement ranked markedly in front of all the other listed benefits with "fitness" or "health" related options coming in second. Child care, a hotly debated issue in the 1988 election, was in the opinion of our employment professional not an immediate concern but certain to become one later after the employee has a family and probably a working spouse. Eighty-six percent of the respondents felt that tuition reimbursement was important or very important to the new graduate.

CAMPUS RECRUITING MARKETING PRACTICES

...The competition for graduates in certain disciplines or classifications is increasing and companies are finding it necessary to market their organizations and job opportunities. What things are you doing to assure a good response to your company on campus? What will you be doing that is "new" this year?

Activity	Established*	New*
On-Campus Presentations/ Receptions/Info. Sessions	113	10
Company Literature	61	11
Job Fairs/Career Days	58	4
Internships/Co-ops/Summer Employment	46	6
Advertising/Campus Newspaper Ads	39	4
Student Organization Contacts	36	5
Faculty Contacts	34	5
Placement Office Contacts	29	2
Personal Contacts with Prospective Candidates	29	1
Financial Support for College/Scholarships	23	1
Senior Management Involvement	22	5
Recruiting Program Structural Changes	19	12
Use of Alumni-Employees in Recruiting Activities	19	0
Recruiting Teams/Recruiter Training	16	9
Company Videotapes	16	7
On-Site Company Visits	15	6
Line Personnel Involvement	15	2
Prescreening of Candidates	14	3
Guest Speakers on Campus (Classes/Workshops)	14	4
Competitive Salaries/Benefits	8	0
Heightening Company Presence/Visibility on Campus	6	2
Focusing Recruiting Efforts on Fewer Campuses	6	4
Other (includes networking, minority targeting, more campus contact, aggressive approach, etc.)	41	15

*Frequently Mentioned

The pursuit of the "best and brightest" by an increasing number of corporations has brought some interesting changes in recruiting. Nothing new—only old ideas revitalized and different priorities. The campus presentation—an infrequent event ten years ago—is now a regular part of recruiting for half of the companies, and it's been upgraded to a reception format. It continues to grow in use driven not by quantified results but rather by fear that a competing recruiter will have some indeterminate advantage. The presentation/reception activity needs to be examined against defined objectives. Could an exceptional recruiting brochure or video be an acceptable if not preferred substitute? One quarter of the respondents were focusing on improving their printed materials. Unfortunately, too many of these are produced by out-of-house "experts," and what ends up in the students' hands is a slick piece that reads like all the other brochures that specialist has produced. Very little of the corporate personality or the organization's uniqueness comes through—though it always "looks good."

The listed activities are an excellent outline for developing a campus strategy. They all have something to contribute if managed properly. For many firms unproductive campus recruiting can be traced to the substitution of myriad assorted activities for a proven program that embraces consistency and commitment. Those companies who always meet their recruiting goals and are within budget seem to have the continuity that a professional long-term manager provides who is a resource for corporate management, the college placement office and the student.

GRADES – A SCREENING TOOL?

...Some colleges have deleted grade point averages from the resumes or forms made available to recruiters and stated that GPA's should not be discussed in the initial interview. Would this couse you to drop that school from your schedule?

Yes.....28% No.....33% Maybe.....40%

Grade point averages in the recruiting process continue to be controversial. Three points of view, at least, will readily be offered on this subject by the people most affected—employers, students, and placement officers. Is it a reliable screening tool that can predict an applicant's potential or future success? Research on this issue is not definitive with interpretation left to the bias or prejudice of the effected party. A few colleges with high admission standards and rigorous curricula are questioning the equity of having their graduates evaluated by the same standard as an institution with open enrollment and a less than demanding program. Some have taken the GPA out of the initial interview assessment process. For those who believe it is the only meaningful quantitative measure, there may be an even more credible criterion that could be found in employment testing: testing related to the position and oriented to skills and achievement. Testing may be a fairer measure and leveler for all candidates regardless of institution. Although the federal government rates its applicants by the criteria that an A is an A regardless of the institution, can or should this be a general practice? This question evoked some strong responses—the majority indicating that grades are often the deciding factor, particularly when applicants lack work experience. Not suprisingly, the high possibility of dropping a school from a corporate schedule for hiding GPAs was obvious.

Comments:

"How else can I judge how good a student has performed for 4-5 years."

"That's like hiding a product from a customer— We'll go into a different shop and not play games."

"If the quality of the university was known to be excellent, we would continue to recruit. We would drop a middle of the road" school".

"I think deleting the GPA raises more questions than having it on the resume."

"If GPA isn't important, why give grades at all? Why not all Pass/Fail?"

"GPA is not our primary consideration, but it is an important piece of information on the candidate's past performance."

"I think an individual's GPA should be considered but not be the sole criterion. Working while attending school and/or involvement in extracurricular activities can provide a valuable experience to a candidate and yet could have an impact on the GPA."

"We practice a 3.0/4.0 priority."

"Grades are an important indicator of future success and motivation."

"GPA does not correlate with job performance."

"If GPA was not available, something would have to be worked out to take its place."

ASSESSMENT QUESTIONS ASKED BY PROFESSIONAL INTERVIEWERS

..."What questions do you as a professional like to ask candidates in interviews?"

1. What goals have you set for yourself? How are you planning to achieve them?
2. Who or what has had the greatest influence on the development of your career interests?
3. What factors did you consider in choosing your major?
4. Why are you interested in our organization?
5. Tell me about yourself.
6. What two or three things are most important to you in a position?
7. What kind of work do you want to do?
8. Tell me about a project you initiated.
9. What are your expectations of your future employer?
10. What is your GPA? How do you feel about it? Does it reflect your ability?
11. How do you solve conflicts?
12. Tell me about how you perceive your strengths. Your weaknesses. How do you evaluate yourself?
13. What work experience has been the most valuable to you and why?
14. What was the most useful criticism you ever received, and who was it from?
15. Give an example of a problem you have solved and the process you used.
16. Describe the project or situation that best demonstrated your analytical skills.
17. What has been your greatest challenge?
18. Describe a situation where you had a conflict with another individual, and how you dealt with it.
19. What were the biggest problems you have encountered in college? How have you handled them? What did you learn from them?
20. What are your team-player qualities? Give examples.
21. Describe your leadership style.
22. What interests or concerns you about the position or the company?
23. In a particular leadership role you had, what was the greatest challenge?
24. What idea have you developed and implemented that was particularly creative or innovative?
25. What characteristics do you think are important for this position?
26. How have your educational and work experiences prepared you for this position?
27. Take me through a project where you demonstrated _____ skills.
28. How do you think you have changed personally since you started college?
29. Tell me about a team project of which you are particularly proud and your contribution.
30. How do you motivate people?
31. Why did you choose the extracurricular activities you did? What did you gain? What did you contribute?
32. What types of situations put you under pressure, and how do you deal with the pressure?
33. Tell me about a difficult decision you have made.
34. Give an example of a situation in which you failed, and how you handled it.
35. Tell me about a situation when you had to persuade another person to your point of view.
36. What frustrates you the most?
37. Knowing what you know now about your college experience, would you make the same decisions?
38. What can you contribute to this company?
39. How would you react to having your credibility questioned?
40. What characteristics are most important in a good manager? How have you displayed one of these characteristics?
41. What challenges are you looking for in a position?
42. Are you willing to relocate or travel as part of your career?
43. What two or three accomplishments have given you the most satisfaction?
44. Describe a leadership role of yours and tell why you committed your time to it.
45. How are you conducting your job search, and how will you make your decision?
46. What is the most important lesson you have learned in or out of school?
47. Describe a situation where you had to work with someone who was difficult. How was the person difficult, and how did you handle it?
48. We are looking at a lot of great candidates; why are the the best person for this position?
49. How would your friends describe you? Your professors?
50. What else should I know about you?

These questions reflect a significant movement away from standard directive questions towards more open-ended situational queries. Common themes include applications of analytical, problem-solving and decision-making skills, leadership development, creativity, teamwork, and personal development.

REASONS FOR CANDIDATE REJECTION

.....What are the most common reasons for your organization not offering a candidate a job. In other words, what factors in the evaluation process most often lead to rejection of the applicant.

1. Poor communication skills
2. Low grade point average
3. Could not articulate clear goals or future career direction.
4. Personality of individual mismatched with corporate culture or environment.
5. No match between skills or academic background and position.
6. Level of technical competency insufficient for job.
7. Person lacks general enthusiasm and energy and appears unmotivated personally and professionally.
8. Weak interpersonal skills.
9. Failure to demonstrate leadership or management potential.
10. Inadequate analytical or problem-solving skills or deficient in capacity to handle concepts.
11. No active participation in or contribution to extracurricular activities.
12. No pattern or history of top performance or success.
13. Unrealistic expectations.
14. Questionable work ethic.
15. Interests of candidate are too narrow – professional and personal.
16. No relevant work experience part time or summers.
17. Did not "sell self" in interview.
18. Not a team player.
19. Unwilling to relocate or travel.
20. Did not prepare for interview: reading literature of company brochures, job descriptions or industry research.
21. Immature and/or lacking in self-confidence.
22. Personality: arrogant, overly aggressive, pompous or over-confident.
23. Misrepresentation on resume: education, GPA, depth of experience or skills.
24. Candidate not competitive with applicant pool.
25. Appearance – wanting in professional presence: dress, grooming, habits.

The list has been prepared according to the frequency mentioned by the respondents. This was more easily determined in the top half of this list with the difference less pronounced after the mid point. It was compiled by carefully reviewing over six hundred responses.

SUMMARY

The economy, recruiting and salaries are all headed up next year. The corporate outlook for 61% of the reporting firms is for an even better 1989 than 1988. Since 67% of the group had experienced an '88 that improved over the previous year, a solid base for continued growth appeared to be in place. The expectation that the planned for improvement in business would be realized was high because 75% of the corporations expressed confidence in their projections. A small 3% expected business to be worse in 1989. The number of corporations reducing their exempt payroll has dropped from 56% two years ago to 32% in 1988. Only 21% plan personnel cuts in 1989.

The marketplace for the class of 1989 is probably the best seen since the beginning of the decade. Recruiting at the bachelor level will be higher for 52% of the corporations and 38% at the master's. Almost 36% will be visiting more schools and increasing the number of interview schedules. Though a third will be doing less hiring, very few firms were eliminating their programs or making drastic cuts in their recruiting goals.

The increase in demand is spread out across all fields and disciplines with bachelor hiring up 8% and master's degrees 14%. After a period of reorganization and consolidation, the return of the chemical group to campus has set the stage for an imbalance between the supply of graduating talent and the demand for degrees usually hired in this industry. Hiring goals increased 38% for BA chemists and for chemical engineers: BS up 32%, MS up 30%, PhD up 21%. Graduates who have personal computer or mainframe competencies even as college minors are finding their job searches easier, while the computer science majors have seen their market expand by 14%. Accounting majors at both BS and MS levels will again find a better situation than last year.

Salary increases are overall just keeping pace with inflation. Cost containment is a reality and this is clearly evidenced when you compare the average exempt employee increased against the average increase in salary for the new graduate. The adjustment of 4.4% in graduate starting salaries matched the Consumer Price Index of 4.4%. The 8.8% jump in salary for the sales-market hires is probably a reflection of recruiters looking for more technical competencies, particularly from the computer science and electronics area.

Qualifying the job applicant is becoming more expensive and time consuming. The list of a pre- or postemployment qualifiers continues to grow, and their use by more employers is very much in evidence when you review data from past surveys. The investment made by the corporations in checking the background and the qualification of the applicants is necessary to keep a potential problem off the payroll. Drug testing and the physical will be used by more than 50% of campus recruiters within the year. Investigation or validation of education, work history and reference checking has been routine for the larger corporations, but it is now standard procedure for the mid-size and smaller firm, even if it is contracted out to an organization providing these specialized services.

We are beginning to see the influence of two trends that are going to have a major impact in college recruiting in the next several years. The first is that enrollment by minority high school graduates is falling behind desired or expected levels. The problem is exacerbated by this target group's turning away from engineering and science. The demand for engineering graduates at the bachelor's and graduate level will continue to expand, but the enrollment by freshmen in general in these disciplines and is not growing and will not match the projected future needs. The second trend is the expressed difficulty many corporations are having in meeting their recruiting targets—numbers and quality. This is not likely to change until the criteria by which the graduates are evaluated is focused on the specific skills and competencies a position or program requires and away from recruiting by the numbers. The corporations who install career professionals in college recruiting and begin to provide the management and continuity a good recruiting program demands, along with support to the schools where they recruit, will have the competitive advantage as we move into a period of personnel shortages.

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With appreciation,
Victor R. Lindquist

THE PLACEMENT CENTER

The Placement Center of Northwestern University is able to assist employers in their search for qualified personnel in virtually every field and at all levels from entry to executive. Inquiries concerning the services of the center may be directed to Victor R. Lindquist, Director of Placement, Northwestern University, Evanston, Illinois 60208-1005; telephone 312/491-3700, (708/491-3700 after November 11, 1989).

Whatsoever things are true, whatsoever things are honest,
whatsoever things are just, whatsoever things are pure,
whatsoever things are lovely, whatsoever things are of
good report;
if there be any virtue, and if there be any praise,
think on these things.

Philippians 4:8